

JANUARY 17, 1996

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS
ADMINISTRATION TOOK FORMAL ACTION ON JANUARY 17, 1996, IN THE AGENCY
OFFICE, 355 WEST NORTH TEMPLE, 3 TRIAD CENTER, SUITE 400, SALT LAKE CITY,
UTAH 84180-1204, ON THE BELOW-LISTED MINERAL AND SURFACE BUSINESS MATTERS
AS INDICATED.

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MINERAL ESTATE BUSINESS MATTERS

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OIL, GAS, AND HYDROCARBON LEASE APPLICATIONS - APPROVED

Upon recommendation of Mr. Bonner, the Director approved the Oil, Gas, and Hydrocarbon lease applications listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Director of the Agency. The applications have been checked by the Minerals Section and found to be in order. The land status has been examined and the lands found to be open and available.

<u>Mineral Lease Appl. No. 47196</u>	<u>T18S, R25E, SLB&M.</u>	Grand County
Harold L. Anderson	Sec. 32: E $\frac{1}{2}$ E $\frac{1}{2}$	160.00 acres
6656 Pike Circle		
Larkspur, CO 80118		

Application Date: December 18, 1995

<u>Mineral Lease Appl. No. 47197</u>	<u>T13S, R3E, SLB&M.</u>	Sanpete County
Atlas Resources, Corp.	Sec. 18: SE $\frac{1}{4}$ SW $\frac{1}{4}$	759.82 acres
777 North 500 West #202	Sec. 19: Lots 1, 2, 3,	
Provo, UT 84601	NE $\frac{1}{4}$ NW $\frac{1}{4}$	
	Sec. 32: E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$,	
	W $\frac{1}{2}$ SW $\frac{1}{4}$	

Application Date: December 18, 1995

<u>Mineral Lease Appl. No. 47198</u>	<u>T15S, R4E, SLB&M.</u>	Sanpete County
Atlas Resources, Corp.	Sec. 32: That portion	14.46 acres
777 North 500 West #202	of the SE $\frac{1}{4}$ SW $\frac{1}{4}$	
Provo, UT 84601	Sec. 32, T15S, R4E, SLB&M., as	
	described as follows:	
	Beg. at a point 10 chains N	
	12° E from the SW corner of	
	SE $\frac{1}{4}$ SW $\frac{1}{4}$ of said Sec. 32, and	
	running th N 29° E 11.88	
	chains; th N 0.34 of a chain	
	to a point in the N line of	
	the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of said Sec.; th E	
	4.49 chains; th S	

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OIL, GAS, AND HYDROCARBON LEASE APPLICATIONS - APPROVED (CONT'D)

Mineral Lease Appl. No. 47198 (Cont'd)

79° E 1.78 chains; th E 1.14 chains th S 38° E 1.50 chains; th S 85° E 8.06 chains; th S 10.30 chains th N 87° 30' W 16.73 chains to p.o.b.

Excepting Therefrom that portion lying within the line of that certain tract of land as described in the deed from Warren Allred a widower, to the County of Sanpete dated July 1, 1929, and recorded September 3, 1929 in Book 83 of Deeds, Page 336, which reads as follows: A strip of land located in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Sec. 32, T15S, R4E, SLB&M., being more particularly described as follows: Beg. at a point N approximately 1208.3 ft and E approximately 1785.7 ft from the corner common to Sections 5 and 6, T16S, R4E, and Sections 31 and 32, T15S, R4E, SLB&M., which point is S 56°43' E, approximately 50 ft from Engineer's Station 267 plus 50; th N 31° 28' E 25 ft; th N 9° 21' E 49.2 ft; th due North approximately 28 ft; th due E approximately 40 ft along the forty line common to the S $\frac{1}{2}$ and the N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 32, T15S, R4E, SLB&M., th S 33° 17' W approximately 192 ft to the point of beg.; containing 0.1 of an acre, m/l.

Application Date: December 18, 1995

**In accordance with R850-2-100(1)(c), a minimum annual rental payment of \$20.00 will be due for this lease.

REFUND: \$225.00 is to be refunded to the applicant, but is, at the request of the applicant, to be credited to MLA 47200 (\$191.00 for first year rental and application fee and \$34.00 credited to the next year rental).

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OIL, GAS, AND HYDROCARBON LEASE APPLICATIONS - APPROVED (CONT'D)

<u>Mineral Lease Appl. No. 47200</u>	<u>T13S, R2E, SLB&M.</u>	Sanpete County
Atlas Resources, Corp.	Sec. 24: Lots 1, 2, 4, 160.65 acres	
777 North 500 West #202	SW $\frac{1}{4}$ NE $\frac{1}{4}$	
Provo, UT 84601		

Application Date: December 22, 1995

A \$225.00 credit from MLA 47198 is to be applied to this application.
\$191.00 toward the first year rental and application fee and \$34.00 toward
next year's rental.

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METALLIFEROUS MINERALS LEASE APPLICATIONS- APPROVED

Upon recommendation of Mr. Stokes, the Director approved the Metalliferous Minerals lease applications listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Director of the Agency. The applications have been checked by the Minerals Section and found to be in order. The land status has been examined and the lands found to be open and available. The reassessment date for these leases is February 1, 2006.

<u>Mineral Lease Appl. No. 47201</u>	<u>T43S, R18W, SLB&M.</u>	Washington
Gaylon W. Hansen	Sec. 2: E $\frac{1}{2}$ E $\frac{1}{2}$	160.00 acres
1780 Shaleh Meadows Road, #6-C		
Salt Lake City, UT 84117		

Application Date: December 22, 1995

<u>Mineral Lease Appl. No. 47202</u>	<u>T42S, R18W, SLB&M.</u>	Washington
Gaylon W. Hansen	Sec. 36: NW $\frac{1}{4}$ NW $\frac{1}{4}$,	280.00 acres
1780 Shaleh Meadows Road, #6-C	SW $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$,	
Salt Lake City, UT 84117	SE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$	

Application Date: December 22, 1995

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BUILDING STONE/LIMESTONE LEASE APPLICATION - APPROVED

Upon recommendation of Mr. Blake, the Director approved the Building Stone/Limestone lease application listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Director of the Agency. The application has been checked by the Minerals Section and found to be in order. The land status has been examined and the lands found to be open and available. The reassessment date for this lease is February 1, 2006.

<u>Mineral Lease Appl. No. 47203</u>	<u>T18S, R14W, SLB&M.</u>	Millard County
Nelson A. Carter	Sec. 32: SE $\frac{1}{4}$ SE $\frac{1}{4}$	40.00 acres
4872 North 200 East		
Provo, UT 84604		

Application Date: December 22, 1995

REFUND: \$600.00

CLAY LEASE APPLICATION - REJECTED

Upon recommendation of Mr. Blake, the Director rejected the Clay lease application listed below and ordered a refund of the advance rentals to the applicant. The lands applied for were checked and it was found that the mineral rights in the lands applied for were reserved to the United States under Patent No. 43-68-0032.

<u>Mineral Lease Appl. No. 47194</u>	<u>T34S, R3W, SLB&M.</u>	Garfield County
Brian B. Bremner	Sec. 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$	40.00 acres
Garfield County Engineer		
55 South Main		
PO Box 77		
Panguitch, UT 84759		

Application Date: December 13, 1995

REFUND: \$40.00

REJECTED DUE TO: Minerals reserved to United States

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EXPIRATION OF OIL, GAS, AND HYDROCARBON LEASES

The Oil, Gas, and Hydrocarbon leases listed below have reached the end of their terms and expired on the dates listed. These leases should be terminated and the acreage offered for lease through the Agency's Simultaneous Filing process.

<u>Lease No.</u>	<u>Lessee</u>	<u>Description</u>	<u>County/Acres</u> <u>Expiration Date</u>
ML 21154-A	Parker & Parsley Dev. LP	<u>T30S, R16E, SLB&M.</u> Sec. 16: N½	Wayne 320.00 acres Dec. 31, 1995
ML 42675	William Moore Brelsford	<u>T16S, R22E, SLB&M.</u> Sec. 36: All	Grand 640.00 acres Dec. 31, 1995
ML 42680	OXY USA Inc.	<u>T19S, R13E, SLB&M.</u> Sec. 36: W½	Emery 320.00 acres Dec. 31, 1995
ML 42693	TOC Rocky Mountains Inc.	<u>T22S, R19E, SLB&M.</u> Sec. 3: Lots 1, 2, 3, 4, S½N½, SE¼	Grand 537.33 acres Dec. 31, 1995
ML 42697	Key Production Co.	<u>T23S, R20E, SLB&M.</u> Sec. 31: Lot 6 Sec. 33: SW¼NW¼, N½SW¼	Grand 132.35 acres Dec. 31, 1995
ML 42698	Key Production Co.	<u>T24S, R20E, SLB&M.</u> Sec. 23: NE¼NW¼	Grand 40.00 acres Dec. 31, 1995
ML 42699	Celsius Energy Co.	<u>T29½S, R22E, SLB&M.</u> Sec. 32: All	San Juan 641.03 acres Dec. 31, 1995
ML 42700	Ampolex (Texas) Inc. et al	<u>T29S, R22E, SLB&M.</u> Sec. 16: All	San Juan 640.00 acres Dec. 31, 1995
ML 42704	CNG Producing Company	<u>T30S, R22E, SLB&M.</u> Sec. 16: All	San Juan 640.00 acres Dec. 31, 1995
ML 42727	Lola B. Martin et al	<u>T7N, R8E, SLB&M.</u> Sec. 16: Lots 1, 2, 3, 4 (All)	Rich 161.36 acres Dec. 31, 1995

EXPIRATION OF OIL, GAS, AND HYDROCARBON LEASES (CONT'D)

ML 42751	Marathon Oil Company	<u>T31S, R21E, SLB&M.</u>	San Juan
		Sec. 3: Lots 12, 13, 14,	1,360.00 acres
		SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$	Dec. 31, 1995
		Sec. 4: Lots 9, 10, 15, 16,	
		E $\frac{1}{2}$ SE $\frac{1}{4}$	
		Sec. 10: N $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$	
		Sec. 32: All	

Upon recommendation of Mr. Bonner, the Director noted the expiration of the Oil, Gas, and Hydrocarbon leases listed above.

EXTENSION OF OIL, GAS, AND HYDROCARBON LEASE ML 4386-B

It has been determined that the records of the Agency should be noted to show that ML 4386-B is currently held by production. The records of this lease should indicate that this lease is held by production from the Bolinder #2-2 Well. Therefore, the terms of ML 4386-B will not reflect an expiration date, but show that the lease is held past its primary term by production.

Upon recommendation of Mr. Bonner, the Director approved the extension of ML 4386-B due to production.

CORRECTION TO THE DIRECTOR'S MINUTES OF JUNE 21, 1995; ML 42673--OIL, GAS, AND HYDROCARBON

The Director's Minutes of June 21, 1995, show that due to the termination of the Hell's Hole Unit, ML 42673 will be extended to June 12, 1997. It has been found that the Director's Minutes of June 21, 1995, should be corrected to show that this lease will not be extended for two years, but the records of this lease should be noted to show that this lease is held by production from the Hell's Hole 2-36-10-25 Well. Therefore, the terms of ML 42673 will not reflect an expiration date, but show that the lease is held past its primary term by production.

Upon recommendation of Mr. Bonner, the Director approved the correction to the Director's Minutes of June 21, 1995, as described above.

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ML 35683--VOLCANIC MATERIALS; EXTENSION OF LEASE

It has been determined that the lessee has engaged in diligent operations under the above-numbered lease during the past lease year. This lease should be extended until December 31, 1997, and the lessee should be billed for annual rental at the current rate. This lease is eligible for readjustment of its terms and conditions by the State on January 1, 1998.

Upon recommendation of Mr. Blake, the Director approved the extension of ML 35683 as described above.

ONE-YEAR EXTENSION OF CLAY LEASE

The Clay lease listed below has reached the end of its term. After completing an annual review of this lease, it has been determined that the lessee has provided sufficient information as proof of due diligence. Therefore, in accordance with the terms and conditions of this lease, the lease listed below will be given a one-year extension.

<u>Lease No.</u>	<u>Lessee</u>	<u>New Expiration Date</u>
ML 17215	Interstate Brick	December 31, 1996

Upon recommendation of Mr. Blake, the Director noted the extension of the Clay lease listed above.

ONE-YEAR EXTENSION OF VOLCANIC MATERIALS LEASE

The Volcanic Materials lease listed below has reached the end of its term. After completing an annual review of this lease, it has been determined that the lessee has provided sufficient information as proof of due diligence. Therefore, in accordance with the terms and conditions of this lease, the lease listed below will be given a one-year extension.

<u>Lease No.</u>	<u>Lessee</u>	<u>New Expiration Date</u>
ML 41981	Perlite Inc.	December 31, 1996

Upon recommendation of Mr. Blake, the Director noted the extension of the Volcanic Materials lease listed above.

EXPIRATION OF COAL LEASES

The Coal leases listed below have reached the end of their terms and expired on the dates listed. These leases should be terminated, but the acreage should not be offered for lease through the Agency's Simultaneous Filing process pending the implementation of the Agency's coal leasing program.

<u>Lease No.</u>	<u>Lessee</u>	<u>Description</u>	<u>County/Acres</u> <u>Expiration Date</u>
ML 22590	Elk River Resources Inc.	<u>T13S, R12E, SLB&M.</u> Sec. 2: Lots 1, 2, 3, 4, S½ (All)	Carbon 375.52 acres Dec. 31, 1995
ML 23177	Nevada Electric Invst Co.	<u>T17S, R6E, SLB&M.</u> Sec. 2: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12	Emery 510.97 acres Dec. 31, 1995
ML 23178	Nevada Electric Invst Co.	<u>T17S, R6E, SLB&M.</u> Sec. 16: NW¼NW¼, S½NW¼, NE¼, S½	Emery 600.00 acres Dec. 31, 1995
ML 23904	Pacificorp	<u>T36S, R2E, SLB&M.</u> Sec. 36: All	Garfield 640.00 acres Dec. 31, 1995
ML 23905	Pacificorp	<u>T36S, R3E, SLB&M.</u> Sec. 32: All	Garfield 640.00 acres Dec. 31, 1995
ML 23906	Pacificorp	<u>T37S, R3E, SLB&M.</u> Sec. 32: All	Garfield 640.00 acres Dec. 31, 1995
ML 23907	Pacificorp	<u>T38S, R3E, SLB&M.</u> Sec. 16: All	Kane 640.00 acres Dec. 31, 1995
ML 42746	Albert J. Firchau	<u>T15S, R14E, SLB&M.</u> Sec. 35: All	Carbon 640.00 acres Dec. 31, 1995

Upon recommendation of Mr. Blake, the Director noted the expiration of the Coal leases listed above.

RELEASE OF SURETY BOND U-8003091; ML 23177 AND ML 23178--COAL

Surety Bond U-8003091 was accepted on October 7, 1991, with Mountain Coal Company as principal and United Pacific Insurance Company as surety, in the amount of \$25,000. The bond was to cover exploration drilling under the above-numbered mineral leases. The proposed drilling program did not take place and the leases have expired.

Upon recommendation of Mr. Blake, the Director approved the release of Surety Bond No. U-8003091 as described above.

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ONE-YEAR EXTENSION OF METALLIFEROUS MINERALS LEASES

The Metalliferous Minerals leases listed below have reached the end of their terms. After completing annual reviews of these leases, it has been determined that the lessee has provided sufficient information as proof of due diligence. Therefore, in accordance with the terms and conditions of these leases, the leases listed below will be given a one-year extension.

<u>Lease No.</u>	<u>Lessee</u>	<u>New Expiration Date</u>
ML 18237	Brush Wellman Inc.	December 31, 1996
ML 26042	Brush Wellman Inc.	December 31, 1996

Upon recommendation of Mr. Stokes, the Director noted the extension of the Metalliferous Minerals leases listed above.

ONE-YEAR EXTENSION OF GILSONITE LEASE

The Gilsonite lease listed below has reached the end of its term. After completing an annual review of this lease, it has been determined that the lessee has provided sufficient information as proof of due diligence. Therefore, in accordance with the terms and conditions of this lease, the lease listed below will be given a one-year extension.

<u>Lease No.</u>	<u>Lessee</u>	<u>New Expiration Date</u>
ML 30616	American Gilsonite Co.	December 31, 1996

Upon recommendation of Mr. Stokes, the Director noted the extension of the Gilsonite lease listed above.

ONE-YEAR EXTENSION OF GEMSTONE LEASES

The Gemstone leases listed below have reached the end of their terms. After completing annual reviews of these leases, it has been determined that the lessee has provided sufficient information as proof of due diligence. Therefore, in accordance with the terms and conditions of these leases, the leases listed below will be given a one-year extension.

<u>Lease No.</u>	<u>Lessee</u>	<u>New Expiration Date</u>
ML 33042	Utah Mineral & Fossil Inc.	December 31, 1996
ML 33388	Utah Mineral & Fossil Inc.	December 31, 1996

Upon recommendation of Mr. Stokes, the Director noted the extension of the Gemstone leases listed above.

EXPIRATION OF METALLIFEROUS MINERALS LEASES

The Metalliferous Minerals leases listed below have reached the end of their terms and expired on the dates listed. These leases should be terminated and the acreage offered for lease through the Agency's Simultaneous Filing process.

<u>Lease No.</u>	<u>Lessee</u>	<u>Description</u>	<u>County/Acres</u> <u>Expiration Date</u>
ML 35180	The Relief Mine Company	<u>T9S, R3E, SLB&M.</u> Sec. 9: All	Utah 790.32 acres Dec. 31, 1995
ML 35181	The Relief Mine Company	<u>T9S, R3E, SLB&M.</u> Sec. 17: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12	Utah 470.77 acres Dec. 31, 1995

Upon recommendation of Mr. Stokes, the Director noted the expiration of the Metalliferous Minerals leases listed above.

EXPIRATION OF GILSONITE LEASES

The Gilsonite leases listed below have reached the end of their terms and expired on the dates listed. These leases should be terminated, but in accordance with the withdrawal of Trust lands for Gilsonite lease, the acreage should not be offered for lease through the Agency's Simultaneous Filing process.

<u>Lease No.</u>	<u>Lessee</u>	<u>Description</u>	<u>County/Acres</u> <u>Expiration Date</u>
ML 42738	American Gilsonite Co.	<u>T8S, R17E, SLB&M.</u> Sec. 32: Lots 1, 5, 8, 9, 10, NE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$	Duchesne 206.90 acres Dec. 31, 1995
ML 42741	American Gilsonite Co.	<u>T10S, R21E, SLB&M.</u> Sec. 33: All	Uintah 640.00 acres Dec. 31, 1995

Upon recommendation of Mr. Stokes, the Director noted the expiration of the Gilsonite leases listed above.

EXPIRATION OF GEMSTONE LEASES

The Gemstone leases listed below have reached the end of their terms and expired on the dates listed. These leases should be terminated and the acreage offered for lease through the Agency's Simultaneous Filing process.

<u>Lease No.</u>	<u>Lessee</u>	<u>Description</u>	<u>County/Acres</u> <u>Expiration Date</u>
ML 27966	Olga Berry	<u>T40S, R7W, SLB&M.</u> Sec. 31: Lot 10, NW $\frac{1}{4}$ SE $\frac{1}{4}$	Kane 80.00 acres Dec. 31, 1995
ML 34698	Michael & Sandra Sprunger	<u>T12S, R11W, SLB&M.</u> Sec. 16: SW $\frac{1}{4}$ NW $\frac{1}{4}$	Juab 40.00 acres Dec. 31, 1995

Upon recommendation of Mr. Stokes, the Director noted the expiration of the Gemstone leases listed above.

AMENDMENT OF GEMSTONE/FOSSIL LEASE

The Gemstone/Fossil lease listed below has been amended as to lease agreement terms and conditions. The records of this Agency should be noted to show the approval of the amended lease terms. This lease has been amended to allow extension by payment of an annual minimum royalty in-lieu of annual production. The executed lease amendment shall be placed in the appropriate lease file.

Lease No.

Lessee

ML 42750

Robert D. Drachuk

Effective Date of Amended Terms: January 1, 1996
Acres: 120.00
Annual Rental: \$120.00 (@\$1/ac)
Annual Min. Royalty: \$600.00 (@\$5/ac)
Annual Min. Payment: 10x annual rental = \$1,200.00 (\$10/ac)
Total Annual Payment Amount: \$1,920.00 (@\$16/acre)
New Reassessment Date: January 1, 2006
New Expiration Date: December 31, 1996

Upon recommendation of Mr. Stokes, the Director approved the amendment of the Gemstone/Fossil lease listed above.

AMENDMENT TO UTAH STATE GILSONITE LEASE ML 42740

In accordance with the terms of the above-numbered lease and the rules governing the use of Trust lands in Utah, this lease has been amended as follows:

- 1) That prior to January 1, 1998, Lessee will not apply for, and Lessor will not approve a reduction in the leased acreage to any acreage that is less than the 640 acres held under the original lease.
- 2) If prior to January 1, 1998, the Lessee wishes to exercise its right to surrender the lease for cancellation, as provided in Article XI of the lease, then the Lessee must surrender the entire leased acreage for cancellation.
- 3) The Lessee agrees to the amendment of the Fourth paragraph of Article VI of the lease to increase the annual minimum royalty to twenty-one (21) times the annual rental. All rentals and minimum royalties will be paid on or before January 1st of any given lease year. The rental and annual minimum royalty payments may be credited against actual production royalty payments that accrue during the lease year. Rentals may not be credited against minimum royalties.

AMENDMENT TO UTAH STATE GILSONITE LEASE ML 42740 (CONT'D)

- 4) The effective date of this lease amendment will be January 1, 1996, and rental of \$1.00 per acre and the minimum royalty of 21 times the annual rental will be required to continue the lease for the 1996 and 1997 lease years.
- 5) The Lessor may readjust the terms and conditions of the lease and subsequent amendments to the lease on or after January 1, 1998.
- 6) This amendment is supplemental to Gilsonite Lease ML-42740 and that certain amendment to ML-42740, dated April 17, 1989, and does not supersede such lease or amendment to the lease, nor is this amendment intended as an abrogation or waiver of any rights the Lessor or Lessee may have under ML-42740 or the April 17, 1989, amendment to the lease except those terms and conditions specifically set forth therein.
- 7) All terms, conditions and rights as to ML-42740 shall be subject to current statutes, regulations and Rules Governing the Management and Use of School and Institutional Trust Lands Administration, and all applicable statutes and rules promulgated by other governmental entities.

The executed lease amendment described above shall be placed in the lease file.

Upon recommendation of Mr. Stokes, the Director approved the amendment to the terms of ML 42740 as described above.

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SURFACE ESTATE BUSINESS MATTERS

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GRAZING PERMITS

GRAZING PERMIT NO. 22969 (APPROVAL)

LANE K ABRAHAM
130 W CENTER
CENTRAL VALLEY UT 84754

120.00 Acres 8.00 AUM's

\$20.00 annual rental, \$50.00 application fee; 15-year term.

County(s): Sevier

05/01/95 Beginning Date

Township 25 South, Range 4 West, SLB&M
Section 36: N $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$

Upon recommendation from Mr. Williams, Mr. Wilcox approved GP 22969.

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EASEMENTS

EASEMENT NO. 340

APPLICANT'S NAME AND ADDRESS:
TEXACO EXPLORATION AND PRODUCTION INC.
3300 N BUTLER
FARMINGTON, NM 87401

LEGAL DESCRIPTION:

Township 18 South, Range 7 East, SLB&M

Section 36: Beginning at a point on the west line of the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of
said Section 36, which bears N 00°04'00"E from the
southwest corner of said Section 36, thence N
89°50'46"E 770.50; thence N 74°31'49"E 664.81 ft.;
thence S 77°18'10"E 765.86 ft.; thence N 89°50'46"E
588.42 ft.; thence N 89°47'52" E 1367.23 ft.; thence N
89°46'42" E 1367.80 ft.; to a point on the east line of
said Section 36, containing 6.329 acres, more or less.

EASEMENT NO. 340 (CONT'D)

COUNTY: Emery ACRES: 6.329 FUND: School

PROPOSED ACTION:

The applicant is requesting an easement for a proposed water and natural gas line(s) crossing State Trust land.

RELEVANT FACTUAL BACKGROUND:

The proposed easement is for a proposed 4" water line as well as a 4" natural gas pipeline crossing State Trust land near Castle Dale, Utah. The length of the proposed 50' wide easement will be 5513.62 feet.

CRITERIA FOR EVALUATION:

Easements are excluded from the narrative record of decision process if all of the following four conditions exist:

1. The proposed easement is not located entirely on Trust land or, if it is located entirely on Trust land, it is located in an existing corridor.
2. The proposed easement term is 30 years or less.
3. The applicant has paid the fee determined by the Agency.
4. The proposed easement will not have an unreasonably adverse effect on the developability or marketability of the subject property.

Easement charges are determined pursuant to R850-40-600:

The agency may annually establish price schedules for easements based on the cost incurred by the agency in administering the easement and the fair-market value of the particular use.

EVALUATION OF FACTS:

A summary of the criteria considered in this easement is as follows:

- a. The proposed easement is not located entirely on State Trust land and is for the use of a water pipeline.
- b. The proposed easement term is for a period less than thirty years.
- c. The applicant shall submit the Agency-determined fee as made by prior agreement.
- d. The proposed easement will not have an unreasonably adverse effect on the developability or marketability of the subject properties.

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EASEMENT NO. 340 (CONT'D)

This proposed project was reviewed by the Resource Development Coordinating Committee (RDCC) and the Utah Geological Survey and Division of Wildlife Resources provided the following comments: This area may contain expansive soils and a site-specific study is recommended to confirm the absence or presence of this hazard. DWR recommended that the areas disturbed be reseeded and reclaimed with native seed mix. Regarding cultural resource clearance, no cultural resource inventory was required.

STAFF RECOMMENDATIONS:

It is the recommendation of Mr. Parmenter that the above described application for an easement be approved with the fee being \$8019.84 plus a \$600.00 application fee.

Upon recommendation of Mr. Parmenter, the Director approved Easement No. 340, with the easement charge being \$8,019.84 plus a \$600.00 application fee. The term of the easement will be 30 years and the applicant will submit a \$20 administrative fee every three years, beginning January 1, 1999.

EASEMENT NO. 358 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

R. D. CARROLL, ET AL
P.O. BOX 751
MONTICELLO, UT 84535

LEGAL DESCRIPTION:

Township 27 South, Range 22 East, SLB&M

Section 1: Beginning at a point 454.65 ft. east of the north 1/4 corner of Section 1, Township 27 South, Range 22 East, SLB&M, thence South 30°15' East 471.83 feet, thence North 58°05' East 727 feet, thence North 1°15' West 50, containing 1.43 acres, more or less.

COUNTY: San Juan ACRES: 1.43 FUND: School

PROPOSED ACTION:

The applicant is requesting an easement for an existing access road across Trust land. The access road is 1248.83 feet in length and 50 feet in width, with 25 feet on either side of the centerline.

RELEVANT FACTUAL BACKGROUND:

The proposed easement is for a portion of existing road in San Juan County crossing State Trust land. The purpose of this easement is to provide access for the above-referenced applicant(s). The proposed easement

EASEMENT NO. 358 (CONT'D)

will be 1248.83 feet in length and have a proposed width of 50 feet, involving 1.43 acres of State Trust land. Since the San Juan County Road Dept. will be maintaining the road as a county road, it has requested a width of at least 50 feet for maintenance purposes.

CRITERIA FOR EVALUATION:

Easements are excluded from the narrative record of decision process if all of the following four conditions exist:

1. The proposed easement is not located entirely on Trust land or, if it is located entirely on Trust land, it is located in an existing corridor.
2. The proposed easement term is 30 years or less.
3. The applicant has paid the fee determined by the Agency.
4. The proposed easement will not have an unreasonably adverse effect on the developability or marketability of the subject property.

Easement charges are determined pursuant to R850-40-600:

The agency may annually establish price schedules for easements based on the cost incurred by the agency in administering the easement and the fair-market value of the particular use.

EVALUATION OF FACTS:

A summary of the criteria considered in this easement is as follows:

- a. The proposed easement is not located entirely on State Trust land and is for the use of an existing road and trail system.
- b. The proposed easement term is for a period less than thirty years.
- c. The applicant shall submit the Agency-determined fee as made by prior agreement.
- d. The proposed easement will not have an unreasonably adverse effect on the developability or marketability of the subject properties.

This proposed project is exempt from the Resource Development Coordinating Committee (RDCC) review pursuant to RDCC Exemption P.

EASEMENT NO. 358 (CONT'D)

STAFF RECOMMENDATIONS:

It is the recommendation of Mr. Parmenter that the above described application for an easement be approved with the fee being \$1135.30 plus a \$600.00 application fee.

Upon recommendation of Mr. Parmenter, the Director approved Easement No. 358, with the easement charge being \$1,135.30, plus a \$600.00 application fee. The term of the easement will be 30 years and the applicant will submit a \$20.00 administrative fee every three years, beginning January 1, 1999.

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RIGHTS OF ENTRY

RIGHT OF ENTRY NO. 3847 (WITHDRAWAL OF APPLICATION)

Western Range Management, Inc., % Kimball, Parr, Waddoups, Brown & Gee, Attn. Clay Stucki, 185 South State Street, Suite 1300, Salt Lake City, UT, 84111, has notified the Agency that the above-referenced application is being withdrawn. The applicant has been informed that the \$50.00 application fee is non-refundable.

Upon the recommendation of Mr. Bagley, the Director approved the withdrawal of ROE No. 3847 with the \$50.00 application fee being forfeited to the State.

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SPECIAL USE LEASE AGREEMENTS

EXPIRATION OF SPECIAL USE LEASE NO. 065

The above-referenced special use lease, issued to Harold B. Fullmer, et al, P.O. Box 186, Circleville, Utah 84723, expired on May 31, 1995. The lessee has filed an application for a new lease which has been approved. Agency records should be noted to show this expiration.

This item was submitted by Mr. Brown for record-keeping purposes.

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EXPIRATION OF SPECIAL USE LEASE NO. 066

The above-referenced special use lease, issued to Alfred D. Fullmer, et al, P.O. Box 686, Circleville, Utah 84723, expired on May 31, 1995. The lessee has filed an application for a new lease which has been approved. Agency records should be noted to show this expiration.

This item was submitted by Mr. Brown for record-keeping purposes.

EXPIRATION OF SPECIAL USE LEASE NO. 668

The above-referenced special use lease, issued to Lands Coordinator Habitat, Division of Wildlife Resources, 1596 W. North Temple, Salt Lake City, Utah 84116, expired on April 30, 1995. The lessee has filed an application for a new lease which has been approved. Agency records should be noted to show this expiration.

This item was submitted by Mr. Brown for record-keeping purposes.

EXPIRATION OF SPECIAL USE LEASE NO. 669

The above-referenced special use lease, issued to Leo D. Jackson, RFD Box 5, Caineville, Utah 84775, expired on March 31, 1995. The lessee has filed an application for a new lease which has been approved. Agency records should be noted to show this expiration.

This item was submitted by Mr. Brown for record-keeping purposes.

EXPIRATION OF SPECIAL USE LEASE NO. 674

The above-referenced special use lease, issued to A. R. & Gladys May, Joint Tenants, P.O. Box 405, Green River, Utah 84725, expired on May 31, 1995. The lessee has filed an application for a new lease which has been approved. Agency records should be noted to show this expiration.

This item was submitted by Mr. Brown for record-keeping purposes.

EXPIRATION OF SPECIAL USE LEASE NO. 226

The above-referenced special use lease, issued to Gold Creek Development Corp., 1612 Fundy Way, Aurora, Co 80011, expired on July 31, 1995. The lessee was notified by certified mail that all personal property and improvements must be removed from the site within 90 days. Agency records should be noted to show this expiration.

This item was submitted by Mr. Brown for record-keeping purposes.

SPECIAL USE LEASE APPLICATION NO. 1047 (WITHDRAWAL OF APPLICATION AND PARTIAL REFUND)

Western Range Management, Inc., c/o Kimball, Parr, Waddoups, Brown, and Gee, Attn: Clay Stucki, 185 South State Street, Suite 1300, Salt Lake City, UT 84111, has submitted written notification of its intent to withdraw the above-referenced special use lease application.

The application was for a firearms shooting range on the following parcel:

<u>Township 6 South, Range 1 Est. SLB&M</u>	Utah County
Section 31: W $\frac{1}{2}$ NW $\frac{1}{4}$ (Lots 1 and 2)	80.17 acres, m/l

The reason for the withdrawal includes current difficulty obtaining a conditional use permit from Utah County and opposition from neighboring landowners and lessees.

The permittee submitted \$2,900.00 in application fees and advertising and rental deposits. The \$250.00 application fee and \$242.72 advertising expense are non-refundable, leaving a balance of \$2,407.28 to be reimbursed.

Upon the recommendation of Mr. Bagley, the Director approved the withdrawal of Special Use Lease Application No. 1047, with the \$250.00 application fee and a \$242.72 advertising expense charge being forfeited to the Agency and a net amount of \$2,407.28 to be refunded to the applicant.

SPECIAL USE LEASE AGREEMENT 374 (FIVE-YEAR REVIEW)

SULA 374 is leased to Washington City, 95 E. Center, Washington, Utah 84780.

1. ANNUAL RENTAL:

The five-year review date for this lease is May 1, 1996. The subject property is used for a water storage tank. Based upon current land values, it is recommended that the lease fee be increased from \$285.50 per year to \$1,024.00 per year effective May 1, 1996. A certified notice was sent informing the lessee of the date of this action and the right to oppose and/or appeal the action. No response was received.

New lease fee: \$1,024.00 divided by the Acres in lease: .78 ac = \$1,312.82 per acre.

2. DUE DILIGENCE:

The development allowed by the lease has occurred. It is recommended that the lease be kept in force.

SPECIAL USE LEASE AGREEMENT 374 (FIVE-YEAR REVIEW) (CONT'D)

3. PROPER USE:
The leased premises are being used in accordance with the lease agreement.
4. ADEQUATE INSURANCE AND BOND COVERAGE:
Neither insurance coverage nor a bond are presently required by the lease agreement.
5. ESTABLISHMENT OF WATER RIGHTS:
There are no water rights associated with this lease.
6. POLLUTION AND SANITATION REGULATIONS:
The Agency is unaware of any violations of valid sanitation and pollution regulations as prescribed by any governmental agency having jurisdiction. There is no evidence of underground storage tanks on the premises.
7. NEXT ASSESSMENT DATE:
The next assessment date will be on April 1, 2001.

Upon recommendation from Mr. Brown, the Director approved the five-year review for SULA 374.

SPECIAL USE LEASE AGREEMENT NO. 882 (FIVE-YEAR REVIEW)

SULA 882 is leased to Helper Gun Club, c/o Bill Curtice, Route 1 Box 121, Helper, Utah 84526.

1. ANNUAL RENTAL:
The five-year review date for this lease is May 1, 1996. The subject property is used for a trap shooting range and a small rifle range. Based upon the Board-approved index, it is recommended that the lease fee be increased from \$400.00 per year to \$520.00 per year effective May 1, 1996. A certified notice was sent informing the lessee of the date of this action and the right to oppose and/or appeal the action. No response was received.

New lease fee: \$520.00 divided by the Acres in lease: 40.00 acres = \$13.00 per acre.
2. DUE DILIGENCE:
The development allowed by the lease has occurred. It is recommended that the lease be kept in force.
3. PROPER USE:
The leased premises are being used in accordance with the lease agreement.

SPECIAL USE LEASE AGREEMENT NO. 882 (FIVE-YEAR REVIEW) (CONT'D)

4. ADEQUATE INSURANCE AND BOND COVERAGE:
Neither insurance coverage nor a bond was required by the lease.
5. ESTABLISHMENT OF WATER RIGHTS:
There are no water rights associated with this lease.
6. POLLUTION AND SANITATION REGULATIONS:
The Agency is unaware of any violations of valid sanitation and pollution regulations as prescribed by any governmental agency having jurisdiction. There is no evidence of underground storage tanks on the premises.
7. NEXT ASSESSMENT DATE:
The next assessment date will be on May 1, 2001.

Upon Mr. Tripp's recommendation, the Director approved the five-year review for SULA 882.

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MATERIALS PERMITS

MP 48 (SAND AND GRAVEL) - EXPIRATION

The above-numbered sand and gravel lease expired its term on June 30, 1995. The permittee was notified of this and informed that all personal property and improvements must be removed from the site within 90 days. Agency records should be noted to show this expiration.

This item was submitted by Mr. Brown for record-keeping purposes.

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PREDESIGNATIONS

PREDESIGNATION NO. 263-WATER RIGHTS ASSOCIATED WITH DRY GULCH IRRIGATION CO.

Trust Lands Administration is the owner of 21 shares of Dry Gulch Irrigation Company stock. These shares are associated with the following property:

Township 2 South, Range 1 West, USM

Section 15: SW $\frac{1}{4}$ NE $\frac{1}{4}$ more particularly described as:

Beginning at a point on the North-South quarter Section line Section 15, Township 2 South, Range 1 West, Uintah Special Base and Meridian; North 0°11'10" East 327.20 feet from the center of said Section; thence North 0°11'10" East along the said North-South quarter Section line 993.15 feet

* * * * *

8.50%

Leslie M. Warner
LESLIE M. WARNER, RECORDS OFFICER

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